

George Bush

Director of Central Intelligence

before the

Oklahoma University

Student Leadership Conference

on

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Thank you, Senator Bellmon, for that very warm introduction. I'm back here in the state, we lived in West Texas for twelve years -- not too far away for two purposes, one to visit today with the leadership conference, answer or dodge whatever questions you ask to the best of my ability, go up to Oklahoma City where I will have the honor of presenting Senator Bellmon's name and include it properly in the Oklahoma Hall of Fame, and I would be remiss if I did politicize a non-political event; I can't do that because I am a non-politician as head of the CIA; I am out of politics or should be out of politics, and I am remaining out of politics as long as I am in the job. But I don't think it's partisan to suggest that Oklahoma is brilliantly served in the Senate by Henry Bellmon. He's a guy who can wheel great influence in Washington but he doesn't ever lose track of the people of Oklahoma, and it's a neat combination that is not true of all Representatives in the House and in the Senate. It is true of this leader, and of course, I'm delighted to be here as his guest.

I thought what I might do is chat with you about the CIA and the Intelligence Community. I will not be able, because the law says don't do it, to answer questions about sources and methods because it's the law. The 1947 Act tells the Director not to do that and I'm not going to. And I also

feel incumbent to stay out of foreign policy considerations. You might try a question or two if you think there's some I can answer but the Director of the CIA isn't the policy maker. He provides intelligence to the policy makers and they set the policy. They comment on the policy and they shape the policy with whatever countries we are dealing with abroad. But in terms of intelligence, in terms of the operations of the CIA, (unintelligible), I'd be glad to try to respond as best I can, as the Senator suggested, maybe there would be some interest in China or the United Nations or even in Washington itself on those general subjects. Let me talk to you about my almost-year now as head of the CIA.

It was a cool November day, in Peking a year ago. I was minding my own business, living in a fascinating, totally controlled society but nevertheless, one that has accomplished a great deal for its people, riding my bicycle home from church -- they still go to church in China -- it's kind of a show-biz church, only about twelve people go to the service there, Christian service. And I got a telegram suggesting that the President wanted me to come back to head the CIA. They were troubled times for the CIA -- being investigated by the two committees of Congress. And they were to improve the (unintelligible) long since, mostly had been spread over several other administrations and there was a handful of (unintelligible) allegations in which there was no truth whatsoever. Some (unintelligible) what

was going on. I did not really fully understand the emotions surrounding this appointment until I came back to appear before the United States Senate for confirmation and I wondered, my gosh, how (unintelligible) to safeguard the rights of American citizens to be guaranteed their constitutional constraints that are on all agencies, specifically on the CIA. And I totally went about implementing that Executive Order. And I'll be glad to respond to any questions on it. There is set up inside the Executive Branch an oversight board so that anybody in the Intelligence Community -- many thousands of people who find something he thinks is an abuse without going to the Director who might get sidestepped, send him off somewhere, he can go directly to this board. In addition to that I report to seven oversight committees of the United States Congress. Our budget figures are not made public because of the legitimate national security reasons. The House and Senate voted two to one that they not be made public but they are disclosed in ultimate detail -- every penny of it -- to the appropriate committees of the United States Congress. Myth -- nobody knows what the CIA budget is. Reality, disclosed to the elected representatives to the people in minute detail.

One of the things that has caused the CIA to be controversial is covert action. Covert action used to account for in excess of fifty per cent of the budget of the CIA. Today, less than two per cent. Today for the United States to have a covert action, it goes to the Operations Advisory Group -- Secretary

of State, Secretary of Defense, Attorney General, Chairman of the Joint Chiefs, OMB, CIA head. They meet, they make recommendations and there is no longer plausible deniability. The President signs off, makes a finding, instructs CIA and Executive Branch what it should do and then I as Director brief, under the Hughes Ryan amendment, the appropriate committees of the United States Congress. And so these safeguards are there, and yet, both committees, neither committee in the House, the Senate Select Committee, the House Committee suggested that this nation ought to eliminate its covert action capability. It's controversial, but somewhere between sending in the Marines and doing nothing in a world like we live in. It's covert action and carefully used it is something that the President of the United States, each President, has felt is necessary, both Houses of Congress have backed him in this regard. But it is controversial and it is an area that I would be glad to do the best I can to answer questions about.

The myth is James Bond. The myth is fancy kind of spying activity. Not that we don't use spying. Of course, the intelligence business does, but the myth is kind of a -- everybody calls up and says is someone listening to my telephone. When they call me to ask me to play tennis, people don't ask for the CIA Director to play tennis much any more. You know it is almost a mystique about this place. It is just nutty. Mike Wallace came out, the guy who does "60 Minutes". Maybe some of you know Mike Wallace -- the guy who gets you when your eyeballs move

you're guilty on the show. He is a great guy and a friend of mine but any rate he came out to CIA. He was there. He's like a lot of these guys who are real emotional you know, and interested in people. He came out to the CIA and had a visit with me for about 30-45 minutes. Looked around a little and said, my God, if you could just make people see this they would get an entirely different concept because what is out there is tremendous assets. We have, for example, (unintelligible) in this academic group -- supposed to be bright -- some of you might be bright, I don't know -- anyway we have in excess, well in excess of 1,000 Ph.D.'s and M.A.'s in the CIA alone. And they are not spying on people; what they are doing is producing intelligence, the best economic in depth analysis by the United States Government is done in our Agency. Over 200 people in economic intelligence with graduate degrees. It is a tremendous asset. You say what do you need all that for sneaking around the world on its intelligence. OPEC, you read the papers, some of you read the papers, if you read in the paper that OPEC was going to raise its prices. That has a tremendous impact on the free world. It has a tremendous impact on the citizens of Oklahoma, the citizens of everybody and every place in this country. It is important that the President of the United States knows in as timely a fashion as is possible what OPEC is planning, so that diplomats can get to work to try to avert disaster. Not to just our country. If you think an

OPEC price increase, if you feel far away and removed from it here, believe me, the countries of the third world are the ones that are getting decimated by a major OPEC price increase. Agriculture, the great State of Oklahoma, a leader in agriculture -- okay you might say why does the CIA Director need to have a lot of economic intelligence on agriculture. The answer is the world is changing. Economic intelligence meshes in with military and strategic intelligence. And the fact that the Soviets -- that we know in advance what the Soviet crop is going to be like in agriculture and grain is very important to us. It means that we can judge what is going to happen in Eastern Europe, for example, where the Soviets have been exporting a certain amount of their grain and if they have a lousy crop, you don't have to be brilliant to figure out that they are not going to be able to export much grain. And that's going to adversely affect the countries in Eastern Europe and those countries are going to have to turn somewhere other than the Soviet Union for help. You have a massively complex interaction and economic intelligence is terribly important. People think of James Bond, but they don't think of some question that might affect all of our kids. The question of nuclear proliferation. The question of who is moving nuclear materials around. That's our job. My job as the Director of Central Intelligence is to advise the Congressman, to advise the President the best I can as to how these things are moving around the country. When you think that you can make

an atomic bomb that will fit in a brief case and then you think of the terrorism that exists in the world today, we better have some foreign intelligence that can warn people in advance and hopefully avert tragedy. I mentioned nuclear proliferation and terrorism itself. We work very closely with foreign countries to try to forestall by advance knowledge, frankly, what these terrorists are going to do and we have been fairly successful. We are not doing it with the degree of proficiency I'd like but we are a terribly important factor to the free world in terms of staving off terrorist activities. The international flow of narcotics. Our job is not to bust people when American citizens bring drugs into the United States; ours is to advise policy-makers of the sourcing of this material so that the diplomats and the President of the United States can take diplomatic action to try to avert its flow into the United States.

I've left till fairly far into what we really do as opposed to what we are perceived to do -- the question of the Soviet threat. Now some of us in our good idealism think well maybe we really don't have a threat from the Soviet Union. But it is very important when you have a SALT agreement (Strategic Arms Limitation Agreement) that somebody be able to say, look, the Soviets are keeping their word or not. That is the role of the Central Intelligence Agency. Somebody has to count



their missiles. Somebody has to provide the policy makers with the judgment of how far these fly; what does MIRVing mean? How much in danger is our nuclear system in North Dakota? And our Agency is the one that provides to the President, unfiltered I might say, by Defense, or by State, this kind of terribly important intelligence. The other day a pilot took a Soviet Foxbat aircraft, an advanced aircraft, and he flew it into Japan. A lot of information was gleaned from the debriefing of that pilot, and from the inspection of that airplane. It is important information because from this you can extrapolate against other aircraft systems. And the know-how for debriefing the pilot and the know-how for interpreting this airplane lies -- it is not exclusively U.S., it was a Japan operation, he came to Japan originally, but the U.S. had a very major intelligence role in interpreting exactly what all this means for (unintelligible). So in the area of Soviet weaponry and strategy why our Agency is important -- an important Agency. I can go on and on sighting our mission. But I think that maybe we can develop some of that in the Q&A. The point I want to make, though, is that human intelligence, spys if you will, is an important asset for certain kinds of intelligence but it is a small percentage of what this Agency does and it is so important, it is way, way down in terms of the percentages of assets assigned to it. So, men versus reality. Time, it is going to take some time to lay to rest the

James Bond myth. The way we are approaching it is trying to speak to groups who have some degree of open-mindedness. We are trying to respond as best we can in a business which normally has no response at all. It shouldn't because the need for secrecy in foreign intelligence as best we can to legitimate press inquiries. We cannot operate without the confidence of the people. I know, and you know, the Senator alluded to the fact that the CIA for a handful of abuses and because of a large number of false allegations is under a cloud in this country, and has been. And all I can say is that the longer I am in this job, the more I see the totality of our intelligence, the more I am convinced I am that we must have a foreign intelligence capability second to none. And we can't have this without the confidence of the people. So the CIA Director will speak on campuses and try to get a representative of the KGB to come to address the (unintelligible) and I doubt that anyone from the Soviet Embassy or any place else will be willing to come and talk with you even in a (unintelligible) fashion about the activities of the KGB. In fact a Russian friend of mine, said you know in a very jovial way, I had quite a few contacts with him at the United States Mission to the United Nations and I had quite a few contacts with him in the Peoples Republic of China. They have a large embassy over there, some 400 people; the United States has 25, I think, and one of them said, oh, you are going to head the CIA, that is very interesting,

you remind me of Andropov who heads the KGB. Well, I was not overly flattered with the comparison and it brought home to me the fact that we indeed have some kind of a problem. But nevertheless, we are trying to, through Congressional oversight, through dealing with the press, to dealing with the people, to make clear our real mission. Beyond that we are not seeking publicity because you cannot conduct an intelligence business purely out in the open.

One last comment. The Senator said you might be interested to know my views on the transition. This summer at the request of the now new President-elect, I had three separate meetings with him, two of which I took some of our foremost experts on intelligence and we gave him briefings. We talked about Soviet threat, we talked about various troubled areas in the world, and I will be going back to Plains, for yet another meeting. It is my conviction that the President-elect understands the need for strong intelligence. It's my conviction that he has a good grasp of the Soviet threat (to which it is called in the intelligence business). It is my conviction that he will bring to a seriousness and a strong interest in foreign affairs which the Presidents before him had to have and this President will have that same interest and that same ability to handle tough foreign affairs programs. So people in the intelligence community are always wondering what is going to happen and I think that this President will be not only knowledgeable but supportive of the

need for the intelligence system, sensitive to the constraints placed on us by the constitution, but also aware enough of the forces which this country and the free world faces that he will insist the capability not be reached. With those very general statements I simply would say thank you very much and be glad to respond to questions the best I can.